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FOR IMMEDIATE RELEASE:

**FORMER EMPLOYEE CHARGED WITH MAIL FRAUD FOR
STEALING \$450,000 FROM CONSECO**

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that GRACE ANELLO, 45, Indianapolis, Indiana, was charged today with mail fraud, following an investigation by the U.S. Postal Inspection Service.

The information alleges that ANELLO was employed as a claims examiner for Conseco Life Insurance Company for approximately ten years. Between September 2001 and March 2002, ANELLO devised and carried out a scheme to embezzle over \$450,000.00 from Conseco. As a claims examiner, ANELLO had the authority to process and approve claims on life insurance policies up to \$100,000, and then request the Conseco accounting department to issue checks paying the claims.

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The charges allege that ANELLO used the names of two of her friends to create false and fictitious claims on Conseco life insurance policies and caused a total of six fraudulent checks to be issued to them. ANELLO enlisted her friends' assistance by telling them she was making investments for them. They were unaware that ANELLO was, in effect, stealing the money from Conseco. According to the information, ANELLO opened and had her friends open bank accounts, where the checks were deposited; the majority of the money was then transferred back to ANELLO. She created false internal Conseco documents to cover up her fraud. The charges allege that ANELLO used some of the money which she fraudulently obtained to purchase, remodel and improve a residence in Indianapolis; she also used some of the money to purchase a life insurance annuity in her name.

According to Assistant United States Attorney Susan Heckard Dowd, who is prosecuting the case for the government, ANELLO faces a maximum possible prison sentence of five years and a maximum possible fine of \$250,000.00. An initial hearing will be scheduled for before a U.S. Magistrate Judge in Indianapolis.

In documents filed today with the Information, ANELLO has agreed to plead guilty to the charge against her. She has also agreed to forfeiture of her residence and the proceeds of the annuity which she obtained with embezzled funds.

The information is an allegation only, and the defendant is presumed innocent unless and until proven guilty at trial or by guilty plea.

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